



Case Study: Government

How We Make Surplus Work for the State of Georgia

Challenge

The State of Georgia began using GovDeals, a Liquidity Services marketplace, in November 2004 for surplus property disposition.

Through this successful partnership more than 4,100 items have been sold, generating \$5 million in revenue and 100,000 bids to date for the State of Georgia. While most of the surplus property was sold to bidders in Georgia, buyers traveled an average distance of more than 170 miles to buy the State's surplus property. In total, 37 states were represented by these buyers.

In a specific auction, the State of Georgia and the University of Georgia's Agricultural Research Department were responsible for the disposition of 584 mature trees. The trees were still in the ground and needed to be safely extracted and replanted without damaging them.

Solution

The State of Georgia tapped GovDeals, a Liquidity Services marketplace that enables state and local governments to sell surplus assets in a sustainable, transparent manner, to list these unique trees ranging from Southern Magnolias to Common Crape Myrtle, online. The trees were divided into seven lots, by species, with special instructions that the winning bidder would need to be equipped to extract, backfill all holes and haul the trees from the premises. This auction was marketed to the large base of registered buyers through the GovDeals marketplace.

Results

By listing the trees on GovDeals and taking advantage of the increased pool of buyers available and marketing assistance from the GovDeals team, all of the trees in the auction sold at an eightfold return over projected sale value. All 584 trees were purchased through a transparent process that qualified the bidder, and were transplanted in Mississippi, 407 miles away from their selling location.

Since 2004, GovDeals has successfully partnered with the State of Georgia, selling items from trees to a passenger ferry. The highest value retrieved was a single online auction of scrap metal that sold for \$227,010 to a buyer in Alabama, receiving 189 bids over the course of the auction.

4,100
individual items sold

37
number of states
represented by
prospective buyers

\$5 Mil.+
revenue for surplus sales

"Thanks to GovDeals' marketing efforts and large audience of buyers, we received an eightfold return on the sale of 584 trees in one auction."

– Steve Ekin, Director of Surplus Division